



Financial Results for the Fiscal Year Ended March 31, 2013

May 9, 2013
Exchange where listed: TSE

Name of listed company : TERUMO CORPORATION
(URL <http://www.terumo.com/>)
Company code number : 4543
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Adoption of U.S. accounting standards [Yes/No]: No

1. Consolidated Financial Highlights for the Year Ended March 2013 (From April 1, 2012 to March 31, 2013)

(1) Consolidated financial results (Notes: The amounts shown below ignore values of less than a million yen)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Year ended March, 2013	402,294	4.0	53,216	(15.6)	51,376	(13.2)	47,014	94.5
Year ended March, 2012	386,686	17.8	63,049	0.7	59,164	4.0	24,167	(25.3)

(Notes) Comprehensive income: March 2013: 93,735million yen (294.9%) March 2012: 23,737million yen (-2.9%)

	Net income per share	Net income per share, fully diluted	Net income per stockholders' equity	Ordinary income per total assets	Operating income per Net sales
	(Yen)	(Yen)	%	%	%
Year ended March, 2013	247.60	—	11.9	7.0	13.2
Year ended March, 2012	127.28	—	7.0	10.6	16.3

(Notes) Equity in earnings of affiliates: March 2013: 176million yen March 2012: 57million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
As at March 31, 2013	771,032	437,909	56.7	2,304.42
As at March 31, 2012	692,520	352,537	50.9	1,855.25

(Notes) Shareholders' equity: March 31, 2013: 437,557 million yen March 31, 2012: 352,272 million yen

(3) Consolidated statements of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Year ended March, 2013	50,270	(31,293)	(22,340)	75,165
Year ended March, 2012	56,200	(247,182)	182,982	73,793

2. Dividends

	Cash dividends per share		
	at 1st half end	at fiscal year end	total
	(Yen)	(Yen)	(Yen)
Year ended March, 2012	17.00	22.00	39.00
Year ended March, 2013	22.00	22.00	44.00
Year ending March, 2014 (forecast)	29.00	29.00	58.00

3. Consolidated Forecast for the Year Ending March 2014 (From April 1, 2013 to March 31, 2014)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Half year ending September, 2013	222,000	15.7	30,000	6.4	28,500	17.7	19,000	30.8	100.06
Year ending March, 2014	460,000	14.3	70,000	31.5	67,500	31.4	42,000	(10.7)	221.20

(Notes) Assumed exchange rate in FY2013: 1US\$=95yen, 1Euro=123yen

Among the information that Terumo discloses, forecasts of financial performance on future projections contain potential risks and uncertainty since these are forecasts on projections made by Terumo based on limited information available at the moment of disclosure. Accordingly, it should be noted that actual results may differ from those forecasts on projections due to various factors. Factors affecting to actual results include, but are not limited to, changes in economic conditions surrounding Terumo, fluctuations of foreign exchange rates, and state of competition.

4. Financial Statements

(1) Consolidated balance sheet

(Millions of yen)

	As at March 31, 2012		As at March 31, 2013		Changes	
	Amount		Amount		Amount	
(Assets)		%		%		%
I Current assets	256,867	37.1%	286,955	37.2%	30,087	11.7%
Cash and deposits	78,767		78,201		(566)	
Notes and accounts receivable-trade	91,800		95,008		3,208	
Merchandise and finished goods	44,044		54,346		10,301	
Work in process	6,629		9,265		2,635	
Raw material and supplies	18,606		21,568		2,961	
Deferred tax assets	9,707		11,258		1,550	
Other	8,552		18,528		9,975	
Allowance for doubtful accounts	(1,240)		(1,220)		20	
II Noncurrent assets	435,652	62.9%	483,770	62.8%	48,117	11.0%
1. Property, plant and equipment	131,754	19.0%	144,824	18.8%	13,069	9.9%
Buildings and structures	47,108		48,966		1,858	
Machinery, equipment and vehicles	38,431		46,366		7,934	
Land	21,298		21,827		528	
Lease assets	1,447		704		(742)	
Construction in progress	15,243		17,794		2,550	
Other	8,225		9,165		940	
2. Intangible assets	270,790	39.1%	296,634	38.5%	25,843	9.5%
Goodwill	138,809		149,322		10,512	
Customer-related assets	83,758		90,706		6,948	
Other	48,222		56,604		8,382	
3. Investments and other assets	33,106	4.8%	42,311	5.5%	9,204	27.8%
Investment securities	20,387		30,304		9,917	
Deferred tax assets	6,996		5,153		(1,843)	
Other	5,722		6,852		1,129	
III Deferred assets	—	—	306	0.0%	306	
Total assets	692,520	100.0%	771,032	100.0%	78,512	11.3%

(Millions of yen)

	As at March 31, 2012		As at March 31, 2013		Changes	
	Amount	%	Amount	%	Amount	%
(Liabilities)		%		%		%
I Current liabilities	157,997	22.8%	115,844	15.0%	(42,153)	(26.7%)
Notes and accounts payable-trade	33,920		37,515		3,594	
Short-term loans payable	60,000		18,046		(41,953)	
Current portion of long-term loans payable	—		3,762		3,762	
Lease obligations	423		277		(145)	
Income taxes payable	11,840		2,609		(9,230)	
Deferred tax liabilities	23		35		12	
Provision for bonuses	5,048		4,834		(214)	
Provision for directors' bonuses	127		109		(18)	
Notes and accounts payable-facilities	7,027		6,624		(403)	
Asset retirement obligations	840		420		(420)	
Other	38,747		41,611		2,863	
II Noncurrent liabilities	181,984	26.3%	217,278	28.2%	35,293	19.4%
Bonds payable	80,000		80,000		—	
Long-term loans payable	50,000		78,712		28,712	
Lease obligations	999		439		(560)	
Deferred tax liabilities	44,736		49,659		4,922	
Provision for retirement benefits	1,538		1,247		(290)	
Provision for directors' retirement benefits	202		198		(3)	
Asset retirement obligations	153		155		2	
Other	4,354		6,865		2,510	
Total liabilities	339,982	49.1%	333,122	43.2%	(6,860)	(2.0%)
I Shareholders' equity	381,345	55.1%	419,999	54.5%	38,653	10.1%
Capital stock	38,716		38,716		—	
Capital surplus	52,103		52,103		—	
Retained earnings	290,529		329,188		38,659	
Treasury stock	(3)		(9)		(5)	
II Accumulated other comprehensive income	(29,073)	(4.2%)	17,557	2.3%	46,630	(160.4%)
Valuation difference on available-for-sale securities	(51)		7,458		7,510	
Deferred gains or losses on hedges	1		—		(1)	
Foreign currency translation adjustment	(29,023)		10,099		39,122	
III Minority interests	264	0.0%	352	0.0%	87	33.0%
Total net assets	352,537	50.9%	437,909	56.8%	85,372	24.2%
Total liabilities, net assets	692,520	100.0%	771,032	100.0%	78,512	11.3%

(2) Consolidated statement of income

(Millions of yen)

	For the year ended			For the year ended			Changes		
	March 31, 2012			March 31, 2013					
	Amount		%	Amount		%	Amount		%
I Net sales	386,686		100.0%	402,294		100.0%	15,607		4.0%
II Cost of sales	182,046		47.1%	196,605		48.9%	14,558		8.0%
Gross profit	204,639		52.9%	205,688		51.1%	1,049		0.5%
III Selling, general and administrative expenses	141,590		36.6%	152,472		37.9%	10,881		7.7%
Operating income	63,049		16.3%	53,216		13.2%	(9,832)		(15.6%)
IV Non-operating income									
Interest income	309			307			(2)		
Dividends income	373			284			(89)		
Royalty income	149			124			(24)		
Foreign exchange profit	—			1,257			1,257		
Equity in earnings of affiliates	57			176			119		
Other	914	1,804	0.5%	1,009	3,160	0.8%	95	1,356	75.2%
V Non-operating expenses									
Interest expenses	738			1,303			565		
Sales discounts	586			597			10		
Foreign exchange losses	990			—			(990)		
Loss on disposal of inventories	1,728			677			(1,051)		
Other	1,644	5,689	1.5%	2,421	5,000	1.2%	776	(688)	(12.1%)
Ordinary income	59,164		15.3%	51,376		12.8%	(7,787)		(13.2%)
VI Extraordinary income									
Gain on sales of noncurrent assets	224			77			(146)		
Reversal of loss on disaster	156			—			(156)		
Subsidy income	295			875			580		
Gain on transfer of business	—	675	0.2%	892	1,846	0.4%	892	1,170	173.3%
VII Extraordinary expenses									
Impairment loss	221			—			(221)		
Loss on disposal of noncurrent assets	239			543			303		
Loss on sales of investment securities	1,562			—			(1,562)		
Loss on valuation of investment securities	7,754			—			(7,754)		
Loss on sales of golf club memberships	5			—			(5)		
Loss on valuation of golf club memberships	—			3			3		
Environmental expenses	407	10,189	2.6%	390	937	0.2%	(16)	(9,252)	(90.8%)
Income before income taxes	49,649		12.9%	52,285		13.0%	2,635		5.3%
Income taxes-current	24,929			7,179			(17,750)		
Income taxes-deferred	495	25,425	6.6%	(1,961)	5,218	1.3%	(2,456)	(20,207)	(79.5%)
Income before minority interests	24,224		6.3%	47,067		11.7%	22,842		94.3%
Minority interests in income	57		0.0%	53		0.0%	(4)		(7.7%)
Net income	24,167		6.2%	47,014		11.7%	22,846		94.5%

(3) Consolidated statement of comprehensive income

(Millions of yen)

	For the year ended		For the year ended	
	March 31, 2012		March 31, 2013	
	Amount		Amount	
I Income before minority interests	24,224		47,067	
II Other comprehensive income				
Valuation difference on available-for-sale securities	1,868		7,510	
Deferred gains or losses on hedges	(3,609)		(1)	
Foreign currency translation adjustments	1,251		39,157	
Share of other comprehensive income of associates accounted for using equity method	2	(487)	2	46,668
Comprehensive income		23,737		93,735
Attributable to:				
Shareholders of Terumo Corporation		23,726		93,647
Minority interests		10		87

(4) Statement of changes in net assets

(Millions of yen)

Year ended March 2012	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total
Beginning of period	38,716	59,030	342,965	(76,879)	363,832
Changes during this fiscal year					
Dividends from surplus			(6,645)		(6,645)
Net income			24,167		24,167
Retirement of treasury stock		(6,926)	(69,957)	76,884	
Purchase of treasury stock				(8)	(8)
Changes of items other than shareholders' equity (net)					
Total changes during this fiscal year		(6,926)	(52,436)	76,875	17,512
Ending of period	38,716	52,103	290,529	(3)	381,345

Year ended March 2012	Accumulated other comprehensive income				Minority interests	Net assets total
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Accumulated other comprehensive income total		
Beginning of period	(1,919)	3,611	(30,322)	(28,630)	254	335,456
Changes during this fiscal year						
Dividends from surplus						(6,645)
Net income						24,167
Retirement of treasury stock						
Purchase of treasury stock						(8)
Changes of items other than shareholders' equity (net)	1,868		(3,609)	1,298	10	(431)
Total changes during this fiscal year	1,868		(3,609)	1,298	10	17,080
Ending of period	(51)		1	(29,023)	264	352,537

(Millions of yen)

Year ended March 2013	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Shareholders' equity total
Beginning of period	38,716	52,103	290,529	(3)	381,345
Changes during this fiscal year					
Dividends from surplus			(8,354)		(8,354)
Net income			47,014		47,014
Retirement of treasury stock					
Purchase of treasury stock				(5)	(5)
Changes of items other than shareholders' equity (net)					
Total changes during this fiscal year			38,659	(5)	38,653
Ending of period	38,716	52,103	329,188	(9)	419,999

Year ended March 2013	Accumulated other comprehensive income				Minority interests	Net assets total
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Accumulated other comprehensive income total		
Beginning of period	(51)		(29,023)	(29,073)	264	352,537
IFRS Adjustment						
Changes during this fiscal year						
Dividends from surplus						(8,354)
Directors' bonuses						
Net income						47,014
Retirement of treasury stock						
Purchase of treasury stock						(5)
Changes of items other than shareholders' equity (net)	7,510		(1)	39,122	87	46,718
Total changes during this fiscal year	7,510		(1)	39,122	87	85,372
Ending of period	7,458		-	10,099	352	437,909

(5) Consolidated statements of cash flows

(Millions of yen)

	For the year ended	For the year ended
	March 31, 2012	March 31, 2013
	Amount	Amount
I Net cash provided by (used in) operating activities		
Income before income taxes	49,649	52,285
Depreciation and amortization	21,259	24,601
Impairment loss	221	—
Amortization of goodwill	7,576	7,952
Equity in (earnings) losses of affiliates	(57)	(176)
Increase(decrease) in provision for retirement benefits	144	(534)
Increase(decrease) in provision for directors' retirement benefits	(383)	(3)
Increase(decrease) in allowance for doubtful accounts	522	(96)
Increase(decrease) in provision for directors' bonuses	(17)	(18)
Interest and dividends income	(683)	(591)
Interest expenses	738	1,303
Foreign exchange losses (gains)	712	(2,976)
Reversal of loss on disaster	(156)	—
Subsidy income	(295)	(875)
Gain on transfer of business	—	(892)
Loss (gain) on disposal of noncurrent assets	239	543
Loss (gain) on sales of noncurrent assets	(224)	(77)
Loss (gain) on sales of investment securities	1,562	—
Loss (gain) on valuation of investment securities	7,754	—
Loss (gain) on sales of golf club memberships	5	—
Loss on valuation of golf club memberships	—	3
Loss on environmental expenses	407	390
Decrease (increase) in notes and accounts receivable-trade	(8,961)	985
Decrease (increase) in inventories	(7,369)	(10,590)
Increase (decrease) in trade payable	288	3,925
Other, net	4,337	(78)
Subtotal	77,268	75,078
Interest and dividends income received	909	841
Interest expenses paid	(675)	(1,330)
Income taxes paid	(20,213)	(24,321)
Settlement package paid	(1,383)	—
Subsidy income received	295	0
Net cash provided by (used in) operating activities	56,200	50,270
II Net cash provided by (used in) investment activities		
Payments into time deposits	(6,262)	(561)
Proceeds from withdrawal of time deposits	2,597	2,803
Purchase of property, plant and equipment	(21,132)	(25,715)
Proceeds from sales of property, plant and equipment	296	322
Purchase of intangible assets	(3,133)	(6,759)
Payment for performance to asset retirement obligations	(560)	(420)
Purchase of investment securities	(3)	(1,074)
Proceeds from sales of investment securities	1,146	—
Capital expenditure for subsidiary's equity	(220,078)	(956)
Proceeds from transfer of business	—	1,372
Other, net	(51)	(306)
Net cash provided by (used in) investment activities	(247,182)	(31,293)
III Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	50,000	28,612
Proceeds from issuance of bonds	80,000	—
Increase in short-term loans payable	—	1,264
Decrease in short-term loans payable	—	(1,278)
Net increase (decrease) in short-term loans payable	60,000	(42,000)
Purchase of treasury stock	(8)	(5)
Repayments of financial lease obligations	(363)	(579)
Cash dividends paid	(6,645)	(8,354)
Net cash provided by (used in) financing activities	182,982	(22,340)
IV Effect of exchange rate changes on cash and cash equivalents	(867)	4,735
V Net increase(decrease) in cash and cash equivalents	(8,866)	1,371
VI Cash and cash equivalents at beginning of period	82,660	73,793
VII Cash and cash equivalents at end of period	73,793	75,165

(6)Notes

Significant accounting policies in preparing the consolidated financial statements

Not applicable.

Changes in presentation

Relating to consolidated balance sheet

"Derivatives" of current assets in previous consolidated account year is included in "Other" from current consolidated account year due to becoming insignificant.

In order to reflect this change in presentation, consolidated balance sheet of previous consolidated account year is reclassified.

Consequently,"Derivatives" 9 million yen of current assets in previous consolidated account year is reclassified to "Other".

Additional Information

Not applicable.

5. Segment Information

[Reportable Segments]

(1) Fiscal year ended March 31, 2012

(Millions of yen)

	For the year ended March 31, 2012					
	General Hospital Business	Cardiac & Vascular Business	Blood Management Business	Subtotal	Adjustment	Total
Sales:						
Sales to customer	154,279	160,605	71,800	386,686	—	386,686
Internal sales	—	—	—	—	—	—
Sales total	154,279	160,605	71,800	386,686	—	386,686
Segment income (loss)	27,267	30,796	3,515	61,579	1,469	63,049
Segment assets	156,350	198,664	258,109	613,124	79,395	692,520
Others:						
Depreciation and amortization	6,658	5,101	9,232	20,994	264	21,259
Amortization of goodwill	—	1,683	5,893	7,576	—	7,576
Net increase of tangible and intangible noncurrent assets	12,102	9,253	4,508	25,865	755	26,620

Notes:

1. Segment income is adjusted to be consistent with operating income shown on the consolidated income statement.
2. Adjustment to segment income (loss), which amounted to 1,469 million yen, is the sum of (2,268) million yen for Inventories and 3,738 million yen for others.
3. Adjustment to segment assets, which amounted to 79,395 million yen, mainly includes investments in "Cash and deposit", "Investments securities", "Deferred tax assets" and assets of the Administrative Department.
4. Depreciation of tangible fixed assets of the Company and its domestic consolidated subsidiaries had been computed by declining-balance method, but effective from this fiscal year, straight-line method has been applied to all tangible fixed assets. Consequently, segment income increased 2,441 million yen in the General Hospital Business, 1,417 million yen in the Cardiac & Vascular Business, 387 million yen in the Blood Management Business from the amounts that would have been posted under the previous accounting method.

(2) Fiscal year ended March 31, 2013

(Millions of yen)

	For the year ended March 31, 2013					
	General Hospital Business	Cardiac & Vascular Business	Blood Management Business	Subtotal	Adjustment	Total
Sales and operating income:						
Sales to customer	157,811	169,737	74,745	402,294	—	402,294
Internal sales	—	—	—	—	—	—
Sales total	157,811	169,737	74,745	402,294	—	402,294
Segment income	23,280	23,640	2,004	48,926	4,289	53,216
Segment assets	168,316	219,296	308,322	695,935	75,097	771,032
Others:						
Depreciation and amortization	7,765	5,890	10,476	24,132	468	24,601
Amortization of goodwill	—	1,767	6,184	7,952	—	7,952
Net increase of tangible and intangible noncurrent assets	12,794	12,868	6,564	32,226	935	33,162

Notes:

1. Segment income is adjusted to be consistent with operating income shown on the consolidated income statement.
2. Adjustment to segment income (loss), which amounted to 4,289 million yen, is the sum of 584 million yen for Inventories and 3,705 million yen for others.
3. Adjustment to segment assets, which amounted to 75,097 million yen, mainly includes investments in "Cash and deposit", "Investments securities", "Deferred tax assets" and assets of the Administrative Department.

(Note) Main products belonging to each business segment

Business segments	Main products
General Hospital business	
Disposable medical devices and medical electronics	Syringes, Needles, Blood collection tubes, Solution sets, I.V.catheters, Infusion pumps, Syringe pumps, etc.
Pharmaceuticals	I.V.solutions, Nutritious food, Prefilled syringes, CAPD systems, etc.
Diabetes care products	Blood glucose monitoring systems
Consumer Healthcare business	Digital Thermometers, Blood pressure monitors, Blood glucose monitors (OTC), etc.
Cardiac and Vascular business	
Interventional systems	Angiographic catheters, PTCA balloon catheters, Coronary stents, Neuro interventional coils, etc.
Cardiovascular systems	Oxygenators, Cardio-pulmonary bypass system, LVA system, etc.
Vascular grafts	Artificial vascular grafts, Stent grafts
Blood Management business	
	Blood bags, Automated blood processing, Therapeutic aphaeresis, Cell therapy, etc.

(Supplementary Information)

[Geographic Segments]

(1) Fiscal year ended March 31, 2012

(Millions of yen)

	For the year ended March 31, 2012				
	Japan	Europe	Americas	Asia and others	Total
Sales	190,469	71,765	79,070	45,381	386,686
Tangible noncurrent assets	96,951	7,201	15,150	12,451	131,754

(2) Fiscal year ended March 31, 2013

(Millions of yen)

	For the year ended March 31, 2013				
	Japan	Europe	Americas	Asia and others	Total
Sales	185,913	75,394	87,940	53,045	402,294
Tangible noncurrent assets	99,275	9,240	19,125	17,183	144,824